

### **REMARKS**

This Amendment is in response to the Office Action mailed January 12, 2006. In the Office Action, claims 60 and 81-84 were rejected under 35 U.S.C. §102 and claims 11, 12, 13-32, and 66-75 were rejected under 35 U.S.C. §103(a). Applicant respectfully traverses the rejection and respectfully requests reconsideration of the pending claims in light of the amendments and remarks made herein is respectfully requested.

#### ***Request for Examiner's Interview***

The Examiner is respectfully requested to contact the undersigned by telephone at the phone number listed below in order to coordinate an Examiner's interview. Applicant believes that the below-listed claims are in condition for allowance, but believes that a telephone conference to discuss the allowability of these claims would greatly facilitate the examination of the subject application.

#### ***Rejection Under 35 U.S.C. § 102***

Claim 12 was rejected under 35 U.S.C. §102(e) as being anticipated by Kawan (U.S. Patent Publication No. 2002/0062284). Applicants respectfully traverse the rejection because a *prima facie* case of anticipation has not been established.

As the Examiner is aware, to anticipate a claim, the reference must teach every element of the claim. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Vergegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ 2d 1051, 1053 (Fed. Cir. 1987). "The identical invention must be shown in as complete detail as is contained in the...claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ 2d 1913, 1920 (Fed. Cir. 1989).

Applicant respectfully submits that Kawan does not teach each and every limitation set forth in claim 60. As an example, Kawan does not teach any of the following limitations:

- (1) *preloading user transaction information within a protected area of an internal, non-removable semiconductor memory located within the portable unit, the user transaction information incapable of being modified by a user of the portable unit;*
- (2) *selecting a function by depressing a key of the portable unit in order to retrieve the user transaction information from the internal memory within the portable unit provided the user is authenticated; and*
- (3) *transmitting the user transaction information to an input/output interface of the portable unit for transmission to a point-of-sale (POS) system only if the user is authenticated.* Emphasis added.

Therefore, Applicant respectfully requests the Examiner to withdraw the outstanding §102(e) rejection and respectfully requests the Examiner to discuss this matter further in a telephone conference.

Claims 81-84 were rejected under 35 U.S.C. § 102(e) as being anticipated by Valliani (U.S. Patent No. 6,234,389). Applicants respectfully traverse the rejection because a *prima facie* case of anticipation has not been established because Valliani does not fully describe any of the limitations:

(1) verifying and authenticating a user *by a portable unit*, the portable unit comprises internal memory including *a first area to contain user transaction information and a second area including security features*; and

(2) *uploading the user transaction information* from the portable unit to a business entity *only if the user is verified and authenticated*, the user transaction information includes card information including at least one of (i) a name on a card, (ii) a picture of the card holder, or (iii) a card number and an expiration date

Therefore, Applicant respectfully requests the Examiner to withdraw the outstanding §102(e) rejection and respectfully requests the Examiner to discuss this matter further in a telephone conference.

### ***Rejection Under 35 U.S.C. § 103***

Claims 11 and 13-32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Schilling (U.S. Patent No. 5,359,182) in view of Kawan. Applicant respectfully traverses the rejection because a *prima facie* case of obviousness has not been established.

As the Examiner is aware, to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all of the claim limitations. *See MPEP §2143; see also In Re Fine, 873 F. 2d 1071, 5 U.S.P.Q.2D 1596 (Fed. Cir. 1988)*. Herein, the combined teachings of the cited references fail to describe or suggest all the claim limitations.

With respect to independent claim 11, Applicant respectfully submits that neither Schilling nor Kawan, alone or in combination, describe or suggest (i) *verifying and authenticating a user of the portable unit by the entity located at a first location*, the portable unit comprises internal memory including a first area to contain user information, and (ii) *uploading user information into the portable unit only after the user is verified and authenticated by the entity*. Emphasis added. Kawan describes the downloading of information from a smart card (20) once the smart card (20) is validated. However, there is no teaching or verification by the entity, considered by the Examiner to be the debit/credit card, and uploading only if the user has been

verified by the entity. The smart card does not perform such authentication, and thus, the alleged "entity" does not perform the authentication as claimed.

Furthermore, claims 14 and 15 are further directed to the verification and authentication and uploading operations. With respect to claim 14, Schilling provides no support for verifying and authenticating of the user includes receiving for *review user identification information printed on a separate document*. Rather, column 7, lines 47-53 of Schilling is directed to the visual display of credit amount and personal access number of the debit card. In addition, Schilling provides no support for claim 15 since, if the entity is considered to be the smart card, it cannot support the limitation of "uploading of the user information includes *accessing records stored on a computer of the entity* [smart card]." Emphasis added.

Therefore, Applicant respectfully requests the Examiner to withdraw the outstanding §103(a) rejection as applied to claims 11 and 13-32 and respectfully requests the Examiner to discuss this matter further in a telephone conference.

Claim 12 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Schilling in view of Kawan and Ramachandran (U.S. Patent No. 6,315,195). Applicant respectfully traverses the rejection because a *prima facie* case of obviousness has not been established and incorporates the arguments set forth above. In addition, based on the dependency of claim 12 on independent claim 11, believed by Applicant to be in condition for allowance, no further discussion as to the grounds for traverse is warranted. Applicant reserves the right to present such arguments in an Appeal is warranted. Withdrawal of the §103(a) rejection as applied to claim 12 is respectfully requested.

Claim 61 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Kawan in view of Schilling. Applicant respectfully traverses the rejection because a *prima facie* case of obviousness has not been established and incorporates the arguments set forth above. In addition, based on the dependency of claim 61 on independent claim 60, believed by Applicant to be in condition for allowance, no further discussion as to the grounds for traverse is warranted. Applicant reserves the right to present such arguments in an Appeal is warranted. Withdrawal of the §103(a) rejection as applied to claim 61 is respectfully requested.

Claims 66-75 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Ramachandran in view of Giordano (U.S. Patent Publication No. 2002/0152123). Applicant respectfully traverses the rejection because a *prima facie* case of obviousness has not been established.

For instance, with respect to independent claims 66 and 73, Applicant respectfully submits that neither Ramachandran in view of Giordano, alone or in combination, describe or suggest uploading the drivers license information as claimed. Applicants respectfully submit that Giordano does not constitute prior art because the application is a continuation-in-part (CIP) application filed on February 27, 2002, which is based on a prior U.S. patent application (Patent Application No. 09/505,721). However, upon review of the file history, it appears that the section referenced by the Examiner constitutes new matter, and thus, receives the February 27, 2002 filing date.

Applicant respectfully requests the Examiner to withdraw the outstanding §103(a) rejection as applied to claims 66-75 and respectfully requests the Examiner to allow these claims.

***Conclusion***

Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

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By

  
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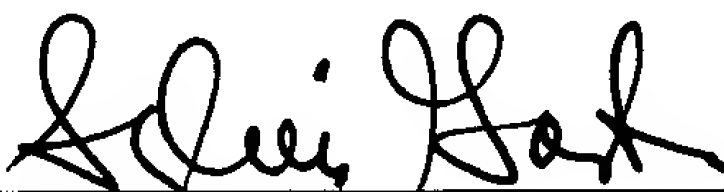
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